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**遠鼎投資股份有限公司**      **遠東化聚工業股份有限公司\***  
**Yuang Ding Investment Corporation**      **Far Eastern Polychem Industries Limited**  
*(incorporated in Taiwan with limited liability)*      *(incorporated in Bermuda with limited liability)*  
**(Stock Code: 8012)**

**JOINT ANNOUNCEMENT  
PROPOSED PRIVATISATION OF  
FAR EASTERN POLYCHEM INDUSTRIES LIMITED  
BY WAY OF A SCHEME OF ARRANGEMENT  
(UNDER SECTION 99 OF THE COMPANIES ACT)  
AT THE CANCELLATION PRICE OF HK\$2.20 PER SCHEME SHARE  
AND  
SHARE REPURCHASE UNDER SHARE REPURCHASE CODE  
RESULTS OF COURT MEETING AND SPECIAL GENERAL MEETING  
AND RESUMPTION OF TRADING**

The Scheme was approved at the Court Meeting and the Special General Meeting on 31st October, 2005

At the request of FEPI, trading in the Shares was suspended with effect from 9:30 a.m. on Monday, 31st October, 2005, pending the release of this announcement. An application has been submitted to the Stock Exchange requesting the resumption of trading in the Shares with effect from 9:30 a.m. on Tuesday, 1st November, 2005.

This announcement is made further to the joint announcement of YDIC and FEPI dated 30th August, 2005 and the document (the “Scheme Document”) dated 6th October, 2005 sent by FEPI to the Shareholders in relation to the Proposal. Terms defined in the Scheme Document have the same meanings when used in this announcement.

## RESULTS OF THE COURT MEETING AND THE SPECIAL GENERAL MEETING

The directors of YDIC and the directors of FEPI jointly announce that the results of the Court Meeting and the SGM both held on Monday, 31st October, 2005 are as follows:

### Court Meeting

#### *Approval under Rule 2.10 of the Takeovers Code and Section 99 of the Companies Act:*

	<b>Votes cast by the Independent Shareholders either in person or by proxy</b>	<b>Votes cast by the Independent Shareholders either in person or by proxy in favour of the Scheme</b>	<b>Votes cast by the Independent Shareholders either in person or by proxy against the Scheme</b>
Number of Shares represented	52,871,283	52,871,283 <i>(Note 1)</i>	0 <i>(Note 2 &amp; 3)</i>
Number of Independent Shareholders	36	36	0

#### *Notes:*

1. Such number represents 100% of the number of Shares held by all the Independent Shareholders present and voting either in person or by proxy at the Court Meeting.
2. Such number represents 0% of the number of Shares held by all the Independent Shareholders present and voting either in person or by proxy at the Court Meeting.
3. Such number represents 0% of the number of Shares held by all the Independent Shareholders.

Accordingly, the Scheme was approved (by way of a poll) in compliance with Rule 2.10 of the Takeovers Code by the Independent Shareholders present and voting either in person or by proxy at the Court Meeting representing not less than three-fourths in value of the Shares that were voted either in person or by proxy by the Independent Shareholders at the Court Meeting, and the Scheme was not disapproved at the Court Meeting by the Independent Shareholders holding more than 10% in value of all the Shares held by the Independent Shareholders.

The Scheme was also approved (by way of a poll) in compliance with Section 99 of the Companies Act by a majority in number of the Independent Shareholders present and voting either in person or by proxy at the Court Meeting representing not less than three-fourths in value of the Shares that were voted either in person or by proxy by the Independent Shareholders at the Court Meeting.

It is stated in the Scheme Document that the Shares held by YDIC and parties who are acting in concert with YDIC will not vote at the Court Meeting, such votes were not known to have been cast at the Court Meeting. The directors of FEPI had not voted at the Court Meeting.

## Special General Meeting

	<b>Votes cast by the Shareholders either in person or by proxy</b>	<b>Votes cast by the Shareholders either in person or by proxy in favour of the special resolution</b>	<b>Votes cast by the Shareholders either in person or by proxy against the special resolution</b>
Number of Shares represented	386,592,082 (Note 1)	386,590,082 (Note 2)	2,000 (Note 3)

*Notes:*

1. Such number represents approximately 94.2227% of the issued share capital of FEPI
2. Such number represents approximately 99.9995% of the Shares voted at the SGM
3. Such number represents approximately 0.0005% of the Shares voted at the SGM

Accordingly, the special resolution to approve and give effect to the Scheme (including the cancellation of the Scheme Shares and the reduction of the issued share capital of FEPI) was accordingly duly passed (by way of poll) by a majority of not less than three-fourths of votes cast by the Shareholders present and voting, in person or by proxy at the SGM.

FEPI appointed its branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, as the scrutineer at the Court Meeting and the SGM for the vote-taking.

### **CURRENT STATUS OF THE CONDITIONS OF THE PROPOSAL**

**Shareholders and/or potential investors in FEPI should be aware that the implementation of the Proposal is still subject to a number of conditions (as disclosed on page 40 of the Scheme Document) being fulfilled or waived, as applicable, and thus the Proposal may or may not become effective.**

Subject to such conditions of the Proposal being fulfilled or waived, as applicable, the Scheme is expected to become effective on the Effective Date, which is expected to be after 4:00 p.m. on Friday, 18th November, 2005 (Hong Kong time). The Scheme will lapse if it does not become effective on or before 31st March, 2006 or such later date as YDIC and FEPI may agree or as the court may direct and the Shareholders will be notified accordingly by further announcement.

The directors of FEPI intend that the listing of the Shares on the Stock Exchange will be withdrawn if the Scheme is implemented and be maintained in the event that the Scheme lapses.

**Shareholders and/or potential investors in FEPI are advised to exercise extreme caution when dealing in the Shares.**

## EFFECTIVE DATE OF THE SCHEME

The Scheme will become effective when it is sanctioned (with or without modification) by the Court and a copy of the Court order is delivered to the Registrar of Companies in Bermuda for registration and is registered. Registration is expected to take place in the morning on Friday, 18th November, 2005 (Bermuda time) (which will be the evening on Friday, 18th November, 2005 (Hong Kong time)).

## EXPECTED TIMETABLE

Shareholders should note that the expected timetable for the Proposal is as follows:

Court hearing of the petition to sanction the Scheme ( <i>Note 1</i> ) .....	Monday, 14th November
Announcement of the result of the Court hearing to sanction the Scheme on the GEM website .....	7:00 p.m. on Tuesday, 15th November
Last day of dealing in the Shares .....	4:00 p.m. on Tuesday, 15th November
Latest time for lodging transfers of the Shares to qualify for entitlements under the Scheme ....	4:00 p.m. on Thursday, 17th November
Record Date .....	4:00 p.m. on Friday, 18th November
Effective Date ( <i>Note 2</i> ) .....	after 4:00 p.m. on Friday, 18th November
Withdrawal of the listing of the Shares on GEM becomes effective ( <i>Note 2</i> ) .....	9:30 a.m. on Monday, 21st November
Announcement on the Effective Date and withdrawal of listing of the Shares on the GEM website .....	Monday, 21st November
Cheques for cash entitlements under the Scheme to be despatched on or before .....	Wednesday, 23rd November

**Shareholders should note that the above timetable is subject to change. Further announcement(s) will be made in the event that there is any change.**

### *Notes:*

1. All references in this document to times and dates are references to Hong Kong times and dates, other than references to expected dates for the Court hearing of the petition to sanction the Scheme, which are references to the relevant times and dates in Bermuda. Bermuda time is 12 hours behind Hong Kong time.

2. The Scheme will become effective when it is sanctioned (with or without modification) by the Court and a copy of the Court order is delivered to the Registrar of Companies in Bermuda for registration and is registered. Registration is expected to take place in the morning on Friday, 18th November, 2005 (Bermuda time) (which will be the evening on Friday, 18th November, 2005 (Hong Kong time)). However, in the event that not all of the conditions of the Proposal have been fulfilled (or, as applicable, waived) by Monday, 14th November, 2005, being the proposed date of the Court hearing of the petition to sanction the Scheme, the timetable of events thereafter will be subject to change. Scheme Shareholders should note the conditions of the Proposal as set out in the Explanatory Statement on pages 40 to 41 of the Scheme Document. If the Scheme becomes effective, it is expected that the listing of the Shares on GEM will be withdrawn with effect from 9:30 a.m. on Monday, 21st November, 2005.

## **APPLICATION FOR WITHDRAWAL OF LISTING**

An application for withdrawal of the listing of the Shares will be made to the Stock Exchange. Subject to the approval of the Stock Exchange, it is expected that dealings in the Shares on GEM will cease at 4:00 p.m. on Tuesday, 15th November, 2005 and the listing of the Shares on GEM will be withdrawn with effect from 9:30 a.m. on Monday, 21st November, 2005.

## **SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES**

At the request of FEPI, trading in the Shares was suspended with effect from 9:30 a.m. on Monday, 31st October, 2005, pending the release of this announcement. An application has been submitted to the Stock Exchange requesting the resumption of trading in the Shares with effect from 9:30 a.m. on Tuesday, 1st November, 2005.

## **CLOSURE OF REGISTERS, REGISTRATION AND PAYMENT**

In order to establish entitlements to the cancellation price of HK\$2.20 per Scheme Share under the Scheme, the registers of members of FEPI in Bermuda and in Hong Kong will be closed immediately after 4:00 p.m. on Thursday, 17th November, 2005, or at the same time on such other date as may be notified to the Shareholders by an announcement and the last day for dealings in the Shares on GEM will be on Tuesday, 15th November, 2005. **To qualify for entitlements under the Scheme, the Scheme Shareholders or their successors in title should ensure that their Shares are registered or lodged for registration in their names or in the name(s) of their nominees at or with Computershare Hong Kong Investor Services Limited, the branch share registrar of FEPI in Hong Kong at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, before the register of members of FEPI is closed.** If the Scheme becomes effective, cheques for cash entitlements to the cancellation price of HK\$2.20 per Scheme Share are expected to be despatched on or before Wednesday, 23rd November, 2005 to the Scheme Shareholders whose names appear on the register of members of FEPI on the Record Date.

By Order of the board of  
**Yuang Ding Investment Corporation**  
**Jar-Yi Shih, Shaw-Y Wang**  
*Director*

By Order of the board of  
**Far Eastern Polychem Industries Limited**  
**Champion Lee, Chin-Sen Tu**  
*Director*

Hong Kong, 31st October, 2005

*As at the date of this announcement, the board of directors of FEPI comprises: (1) executive directors: Shu-Tong HSU, Jar-Yi SHIH, Champion LEE, Lih-Teh CHANG, and Chin-Sen TU; (2) non-executive director: Shaw-Y WANG; and (3) independent non-executive directors: Tak-Lung TSIM, Ying-Ho WONG and Shih-Hung CHAN.*

*This announcement, for which the directors of FEPI collectively and individually accept full responsibility, includes particulars given in compliance with the rules governing the listing of securities on GEM for the purpose of giving information with regard to FEPI. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters that the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*The directors of YDIC jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to FEPI and its subsidiaries) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the GEM website located at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcement” page for at least 7 days from the day of its posting and on the website of FEPI at [www.fepi.com.hk](http://www.fepi.com.hk).*

*\* for identification purpose only*